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C O N F I D E N T I A L UNVIE VIENNA 000523

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SUBJECT: VIENNA'S FRIENDS OF AFGHANISTAN ON COMPACT AND  
WAYS FORWARD

REF: A. STATE 99177  
[1](#)B. UNVIE 504

Classified By: Ambassador Gregory Schulte, reasons 1.4 (B) and (D).

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SUMMARY  
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1.(SBU) The Friends of Afghanistan in Vienna had a first meeting, chaired by Italian ambassador Gianni Ghisi, on September 17. Afghan Charge Wahid Monawar gave an update on the 2006 Afghanistan Compact. While citing progress, he pointed out challenges in transportation, energy, agriculture, rural development, counter-narcotics and anti-corruption. UNODC Executive Director Antonio Costa briefed the Group on the Afghanistan opium survey, noting the overall rising trend of opium cultivation in the period 2002-2008, despite a 19 percent decline in hectares cultivated in 2008. He pressed for a five-pillar strategy: development assistance, better use of the PRTs, implementation of UNSC resolutions 1735, and 1822 to list drug traffickers (as well as Taliban and Al-Qaida supporters) and UNSCR 1817 to target precursor, destruction of high-value targets such as labs, markets and convoys, and strengthening trilateral cooperation (Afghanistan, Iran, and Pakistan). UNODC's Independent Evaluation Unit (IEU) chief Backson Sibanda briefed on the evaluation his office conducted of UNODC's Afghanistan operations. In sum, the evaluation called for better coordination within UNODC, between UNODC and other UN agencies in Afghanistan, and for UNODC to find niches for its programs there. France noted the importance of implementing the precursor recommendation from the June 12 Paris Conference on Afghanistan. Turkey noted its contributions to Afghanistan in the areas of security, health, and education. Sweden emphasized the importance of UNODC to coordinate with UN entities and with donor

countries, and the need to work in niche areas. A number of countries echoed this view.

¶2. (U) Ambassador delivered Ref A points on the Compact and on Costa's briefing. Ambassador offered to host the next meeting in mid-November, and noted precursors and the UN Convention against Corruption (UNCAC, also known as the Merida Convention) had been mentioned as possible agenda items. The USG also proposed that UNODC brief on the implementation of the IEU evaluation. The Friends accepted Ambassador's offer to host the next meeting. END SUMMARY.

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THE AFGHAN COMPACT: PLUSES, MINUSES AND THE FUTURE  
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¶3. (C) Afghan Charge Wahid Monawar began his presentation by saying that his government identified Pakistan as a problem six years ago, but "nobody" paid attention to that then. He described the dangers on the road from Kabul to Jalalabad, and the "infestation" of Farah province with Iranian elements. He highlighted the successes in meeting some of the Compact benchmarks. The Afghan National Army has grown to 63,397 men in March 2008 (against the benchmark of 80,000). Their operational capability has also risen, as 13 of the 36 battalions can perform operations with the support of coalition forces. There has also been progress in programs for the National Assembly, health, education, and national solidarity. More specifically, he cited reconstruction of targeted regional roads as being 52 percent complete, school enrollment as having risen to 75 percent for

boys, and 46 percent for girls, basic health care coverage as having "reached 85 percent." The Parliament passed more laws (18) last year, the number of lawyers doubled to 400, and the economy continued to grow at over 6 percent.

¶4. (SBU) Despite these successes, he listed factors limiting implementation of the Compact. These include the deteriorating security situation, the increasing dominance of the opium economy, the fragility of the licit economy, corruption and ineffective management of aid. He considered poor transportation infrastructure, low level of electric power, declining agriculture, ineffective alternative development projects as all contributing to failures to curb poppy cultivation. He underscored that 80% of the Afghan population live in rural areas. Yet agriculture was on the decline because of poor infrastructure and residual land mines. He stated that 7 million Afghans are threatened by hunger. He urged the international community to buy Afghan agricultural products. He expressed outrage at a news report that \$9 million of potatoes were flown into Afghanistan, a crop he was sure that Afghan farmers could grow. He attributed the slow progress in eradication to "inadequate" cooperation between the Ministry of Interior and the Ministry of Counter-narcotics, "inadequate" equipment and funding, and "tentative" Afghan army protection of counter-narcotics efforts. And although the first infantry unit of the Counter Narcotics "Kandak" (battalion) was established in March 2008 under the Counter-Narcotics Trust Fund, the battalion had not accomplished more eradication.

¶5. (SBU) Monawar underscored corruption as a "significant and growing problem" in Afghanistan, noting that the country was ranked 172nd out of 179 countries by Transparency International. He described progress in this area in the past year as "little, if any." And despite GOA's recent ratification of the UN Convention against Corruption (UNCAC), Monawar seemed pessimistic about its implementation. He noted "an unclear policy and legal framework," the lack of political leadership, and the "lack of capacity and clarity of functions in the different 'integrity promotion' institutions." He pointed out that the five-year Afghan National Development Strategy (ANDS), submitted to the International Monetary Fund and the World Bank in the spring, and presented to the international community at the June 12 Paris Conference, includes an anti-corruption strategy. However, he questioned how the Strategy would address issues

on institutional linkages, reporting lines, responsibilities in corruption prevention, investigation, prosecution, education and coordination. He said the \$21 million in aid the donors pledged in Paris would be used to implement the Strategy, and that it would be done in collaboration with UNAMA. He concluded his presentation by reaffirming the GOA's commitment to "intensify actions to combat corruption."

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COSTA'S RECOMMENDATIONS  
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¶16. (U) UNODC Executive Director Costa was invited to speak at the second hour of the meeting. He mentioned his own efforts to mobilize a large group of "Friends," the World Bank and the Asian Development Bank, as well as the media, to promote development in Afghanistan. He expressed satisfaction that the media now cite UNODC as a source on Afghanistan counter-narcotics. He also referred to his immediate trip to Paris to brief the French Senate on Afghanistan. He said it was important for UNODC to reach beyond the executive branch of countries. He briefed the Friends Group on the challenges

and priorities regarding the opium situation in Afghanistan in 2008-2009. His presentation was based on his earlier briefings to Vienna ambassadors and to NATO in Brussels. For the Friends, he recommended a five-pillar strategy to fight narcotics in Afghanistan:

- (i) development assistance
- (ii) better use of PRTs
- (iii) implementing UN Security Council resolutions 1735 and 1822
- (iv) destroying high-value targets such as labs, markets, and convoys
- (v) strengthening trilateral cooperation (Afghanistan, Pakistan, and Iran)

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URGENT, VISIBLE, MASSIVE DEVELOPMENT ASSISTANCE  
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¶17. (U) As he had previously told Ambassador (Ref B), Costa repeated his call for "urgent, visible, and massive" development assistance to poppy-free northern Afghanistan in order to help farmers decide against poppy planting in the current season that will last through November. He underlined that offering the farmers one dollar of assistance now would be more valuable than offering them hundreds of dollars later (after the planting season), especially in the three vulnerable provinces (one of them is Nangarhar). He explained that development assistance to the countryside has come from the CNTF (Counter-Narcotics Trust Fund), GPI (Good Performers' Initiative), and the NSF (National Solidarity Fund), the World Bank, the Asian Development Bank, and bilaterally. He described the World Bank assistance, in "hundreds of millions" of dollars, as "excellent." He also advocated food assistance, from the World Food Program and from bilateral aid, to Afghan cities, noting there were extended food riots in March and April. He also said it was important for the international community to buy wheat grown in Afghanistan.

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BETTER USE OF THE PRTs  
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¶18. (U) Costa proposed "embedding" counter-narcotics capacity into the PRTs. He said that reconstruction should move away from social activities, and the teams should work to develop understanding of the narcotics situation in the provinces. He stated that he had made the same recommendation in his briefing to NATO.

¶9. (U) Costa urged the implementation of UNSCR 1735 (December 2006), UNSCR 1822 (June 2008) and UNSCR 1817 (June 2008). The first two resolutions encourage states to submit for listing names of individuals and entities that support Al-Qaida and the Taliban, and others who are associated with them through the cultivation, production and trafficking of narcotic drugs and their precursors. Costa lamented that not a single name had been added to the list, and pointed out that such names should not just be from Afghanistan, but also from neighboring countries. Regarding UNSCR 1817 (June 2008) targeting precursors in Afghanistan and the region, Costa highlighted that Afghanistan is only seizing 20 to 25 percent of the precursors entering the country. He showed

photographs of border truck stops through which, for lack of government control, huge amounts of chemicals, fuel, and other goods are smuggled into the country.

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DESTROYING HIGH-VALUE TARGETS  
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¶10. (U) As he had done previously in Vienna and Brussels, Costa pressed again for NATO forces to destroy high-value targets such as labs, markets and convoys. He showed a photo of a lab operating in Pakistan within 800 meters of the Afghan border. He also pointed out weapons seizures in border towns, implying that CN operations could help to uncover weapons smuggling as well.

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TRILATERAL COOPERATION  
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¶11. (U) Costa highlighted UNODC's Triangle Trilateral Initiative which calls for CN cooperation among Afghanistan, Iran, and Pakistan. He described the Initiative as a way to strengthen cross-border cooperation in drug control, build confidence and increase information exchange, and build bridges with other relevant initiatives. He listed a number of UNODC projects in the three countries, many of which are on border control. (Note: The Afghan Ministry of the Interior refused to participate in a trilateral meeting in Tehran in early May. Earlier Afghan Charge Monawar had also expressed reservation about working with Pakistan and Iran. End Note.) In response to Afghan charge's question about how to make the Initiative work, Costa claimed that the three countries were in agreement on CN, but not necessarily on cross-border cooperation for Iran-Afghanistan and Pakistan-Afghanistan.

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EVALUATION OF UNODC'S AFGHANISTAN PROGRAM  
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¶12. (U) UNODC'S Independent Evaluation Unit (IEU), headed by Backson Sibanda, recently completed a detailed evaluation of UNODC's activities in Afghanistan. Like Afghan Charge Monawar, Sibanda's evaluation took note of weak government capacity, widespread corruption, poor security as among the challenges in Afghanistan. In addition, he pointed out the lack of coordination between donors, UN agencies, and government departments as a great challenge. His presentation comprised specific recommendations in the areas of alternative livelihood, rule of law, law enforcement, drug demand reduction, and illicit crop monitoring. Overall, he recommended that UNODC should partner strategically with UNAMA in its CN efforts, should form complementary partnerships with other UN entities (UN Delivering as ONE) in order to avoid duplication, and should look for niches where it can best leverage its limited resources. Sibanda urged UNODC to play a greater role in research and advocacy, because of its experience in these areas.

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HOW TO COORDINATE  
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¶13. (C) Ambassador delivered Ref A points on the importance of the Compact, the cross-cutting nature of counter-narcotics, and the importance of incentives and disincentives in implementing development strategy.

Referring to the IEU report, Swedish Ambassador Lundborg spoke about the importance of coordination, which he found lacking among UN entities and among the bilateral donors. He also underscored the importance of coordinating with NATO, which in his opinion, was doing "nothing" on counter-narcotics. He described UNODC as a "small player" in Afghanistan, and therefore it should find niches where it could be most effective. He considered corruption a problem to be tackled "in a global sense," criticized the lack of political will, and announced that Sweden would increase its forces in Afghanistan. He said he had proposed to his State Secretary to send such forces to the south of Afghanistan. Italian Ambassador Ghisi echoed this point about coordination.

¶14. (SBU) Norwegian Ambassador Johansen asked how best to pursue coordination. Costa expressed frustration that the UNODC had been promoting coordination unsuccessfully for 40 years. He said members of the senior executive body of the UN had never disagreed on coordination, but the operational and field-levels had always fought. In his opinion, the challenge is to transmit this need for coordination to the junior level. He said that the Secretary General is working hard on this issue. He also noted that the Afghan government needs to coordinate. He referred to the monitoring board in Kabul chaired by UNAMA chief Kai Eide and Afghanistan's Deputy President. He described that as coordination "by attitude." He highlighted the UNODC tool ADAM (Automated Donor Assistance Mechanism) which tracks every UNODC project in Afghanistan, as a practical way for donors to learn what UNODC is doing in-country.

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DEVELOPMENT RATHER THAN ALTERNATIVE DEVELOPMENT  
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¶15. (U) French ambassador Deniau asked what role Vienna could play in advancing alternative development in Afghanistan, which he said was a key issue in the June Paris conference. Costa replied that he wanted to promote "development" rather than "alternative development," since the root causes for Afghanistan's problems are poverty and instability. He said that UNODC could play a "coordination role," in raising awareness among aid institutions such as the World Bank, in establishing development priorities, and in convincing UNODC member states on the importance of development.

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EXPANDING UNODC'S AFGHANISTAN OFFICE  
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¶16. (SBU) Costa added his thoughts on expanding the UNODC office in Kabul. He said that the office chief position would be upgraded from a D-1 to a D-2. He had discussed this with UNAMA chief Eide who, according to Costa, endorsed the idea, and would be willing to have his home office in New York, the Department of Peacekeeping Operations (DPKO), fund the new D-2 position. Costa envisioned the incumbent as a special advisor to Eide, as well as a special advisor on counter-narcotics to President Karzai. In addition, Costa plans to double the professional staff in Kabul from 6 to 12 to increase capacity building and to increase the number of projects there. According to UNODC Operations Division Director Francis Maertens, UNODC would move six positions from other UNODC field office to Kabul. (Note: UNODC senior staff told Counselor that the D-2 position would not happen until summer of 2009 the earliest. There is also some

question if the existing 2008-2009 DPKO budget could accommodate funding a D-2 for UNODC. End Note.) Australia stressed the need to know the effectiveness of UNODC's projects before donors could support such expansion. U.K.



expressed the desire to see progress in the south, and to know how UNODC plans to tackle the IEU report

¶17. (U) Costa highlighted security as the major problem in the south, and the risk to UNODC staff, referring to his efforts to lobby for greater security for UNODC's small office in Kandahar. He cited Samangan and another province with respectively less than 2000 and 3000 hectares of poppy cultivation, as prospective poppy-free provinces, if security could be strengthened.

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UN HAS NO ERADICATION POLICY  
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¶18. (SBU) In response to a question from the Netherlands on the mention of aerial spraying in his "El Pais" interview, Costa replied that UN had no eradication policy. He was merely stating the facts in the interview: Colombia's success in having 165,000 hectares eradicated (aerially) in 2007, compared to 5,000 hectares (manually eradicated) in Afghanistan. He reiterated the high financial and human costs for manual eradication in Afghanistan (\$36,000 per hectare and one life lost). He noted that technically, aerial spraying was more cost effective. However, as long as the GOA opposes aerial spraying, he said, there would be no aerial spraying there.

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NEXT MEETING ON NOVEMBER 14  
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¶19. (U) Ambassador offered to host next Friends meeting on November 14. French Ambassador Deniau suggested possible topics: implementation of the June 2008 Paris Conference decision on precursors, and the UN Convention against Corruption (also known as the Merida Convention). He emphasized that continuity is important for the Group. Ambassador and his Canadian counterpart both agreed those could be specific issues for the Friends Groups to consider at the next or future meetings. Counselor also suggested that UNODC could brief on its responses and actions to address the recommendations in the evaluation report.

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Comment  
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¶20. (SBU) This initial meeting offered an opportunity for a fairly frank exchange of views on the situation in Afghanistan, as was envisioned originally by the Afghan Charge. He was explicit in criticizing the weaknesses of his government (e.g., lack of cooperation between ministries, corruption). The meeting also afforded the Friends a chance to do some frank questioning of UNODC's operations in Afghanistan. It was Norway's suggestion to invite the outgoing IEU chief to brief on his evaluation of UNODC's Afghanistan operations. His presentation stimulated some interesting remarks, and could lead to better coordination among the Friend's governments in their assistance to Afghanistan. Our hope is that the Group could eventually prod some concrete actions that would benefit UNODC, Afghanistan, and the international donor community. We will be soliciting ideas for future agenda items and would welcome

any input from Washington or Embassy Kabul. End Comment.  
SCHULTE